

September 9, 2021

BY ELECTRONIC MAIL

Luly E. Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

**RE: Docket 5180 – 2021 Gas Cost Recovery Filing
Responses to Division Data Requests – Set 2**

Dear Ms. Massaro:

I have enclosed an electronic version of National Grid's¹ responses to the Rhode Island Division of Public Utilities and Carriers' ("Division") Second Set of Data Requests in the above-referenced matter.²

On August 17, 2021, the Division served its second set of data requests upon the Company in this matter. Included among the requests were requests numbered 2-3, 2-5, 2-7 and 2-8 (the "Confidential Data Requests") in which the Division makes specific reference to confidential gas pricing information provided to the Division subject to a Non-Disclosure Agreement with the Company.

Accordingly, the Company is providing a redacted and confidential version of these Confidential Data Requests and has requested confidential treatment pursuant to R.I. Gen. Laws § 38-2-2(4)(B) and Rule 810-RICR-00-00-1.3(H) of the PUC's Rules of Practice and Procedure.

Thank you for your attention to this matter. If you have any questions, please contact me at 781-472-0531.

Very truly yours,



Raquel J. Webster

Enclosures

cc: Docket 5180 Service List
Al Mancini, Division (w/confidential versions)
Jerome D. Mierzwa, Division Consultant (w/confidential versions)

¹ The Narragansett Electric Company d/b/a National Grid (National Grid or Company).

² Per Commission counsel's update on October 2, 2020, concerning the COVID-19 emergency period, the Company is submitting an electronic version of this filing. The Company will provide the Commission Clerk with five (5) hard copies and, if needed, additional hard copies of the enclosures upon request.

Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate was electronically transmitted to the individuals listed below.

The paper copies of this filing are being hand delivered to the Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities and Carriers.

Joanne M. Scanlon

September 9, 2021
Date

Docket No. 5180 – National Grid – 2021 Annual Gas Cost Recovery Filing (GCR) - Service List as of 8/5/2021

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**STATE OF RHODE ISLAND
RHODE ISLAND PUBLIC UTILITIES COMMISSION**

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2021 Gas Cost Recovery Filing)	Docket 5180
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**NATIONAL GRID’S MOTON FOR PROTECTIVE
TREATMENT OF CONFIDENTIAL INFORMATION**

National Grid¹ respectfully requests that the Rhode Island Public Utilities Commission (PUC) grant protection from public disclosure certain confidential, competitively sensitive, and proprietary information submitted in this proceeding, as permitted by Rule 810-RICR-00-00-1.3(H) of the PUC’s Rules of Practice and procedure (Rule 1.3(H)) and R.I. Gen. Laws § 38-22(4)(B). The Company also requests that, pending entry of that finding, the PUC preliminarily grant the Company’s request for confidential treatment pursuant to Rule 1.3(H)(2).

I. BACKGROUND

On August 17, 2021, the Rhode Island Division of Public Utilities and Carriers (Division) served its second set of data requests upon the Company in this matter. Included among the requests were requests numbered 2-3, 2-5, 2-7 and 2-8 (the “Confidential Data Requests”) in which the Division makes specific reference to confidential gas pricing information provided to the Division subject to a Non-Disclosure Agreement with the Company. The Company has completed its response to the Division’s second set of data requests contemporaneously with the filing of this motion. By filing the responses, the Confidential Data Requests and certain responses referring to the gas pricing information contained therein, would become public unless

¹ The Narragansett Electric Company d/b/a National Grid (National Grid or the Company).

protective treatment were granted. Therefore, in accordance with Rule 1.3(H)(3), National Grid has provided a redacted public versions and confidential unredacted versions of the Confidential Data Requests and the Company's responses thereto pursuant to Rule 1.3(H).

II. LEGAL STANDARD

Rule 1.3(H) provides that access to public records shall be granted in accordance with the Access to Public Records Act (APRA), R.I. Gen. Laws § 38-2-1, *et seq.* Under the APRA, all documents and materials submitted in connection with the transaction of official business by an agency is deemed to be a "public record," unless the information contained in such documents and materials falls within one of the exceptions specifically identified in R.I. Gen. Laws § 38-2-2(4). To the extent that information provided to the PUC falls within one of the designated exceptions to the public records law, the PUC has the authority under the terms of APRA to deem such information as confidential and to protect that information from public disclosure.

In that regard, R.I. Gen. Laws § 38-2-2(4)(B) provides that the following types of records shall not be deemed public:

Trade secrets and commercial or financial information obtained from a person, firm, or corporation which is of a privileged or confidential nature.

The Rhode Island Supreme Court has held that this confidential information exemption applies where the disclosure of information would be likely either (1) to impair the government's ability to obtain necessary information in the future; or (2) to cause substantial harm to the competitive position of the person from whom the information was obtained. *Providence Journal*, 774 A.2d 40 (R.I. 2001).

The first prong of the test is satisfied when information is provided to the governmental agency and that information is of a kind that would customarily not be released to the public by the person from whom it was obtained. *Providence Journal*, 774 A.2d at 47.

III. BASIS FOR CONFIDENTIALITY

The gas cost pricing information in the Confidential Data Requests, and the Company’s responses thereto, is confidential and commercially sensitive information of the type that National Grid would not ordinarily make public. As such, the information should be protected from public disclosure. Public disclosure of such information could impair National Grid’s ability to obtain advantageous pricing or other terms from gas suppliers in the future, thereby causing substantial competitive harm to the Company. Further, any decision by suppliers to offer less favorable pricing to the Company in the future could ultimately have a negative impact on the Company’s customers. Accordingly, National Grid requests that the PUC grant protective treatment of the Confidential Data Requests and that the PUC preliminarily grant the Company’s request for confidential treatment pursuant to Rule 1.3(H)(2) pending a final decision with respect to this motion.

IV. CONCLUSION

For the foregoing reasons, National Grid respectfully requests that the PUC grant its Motion for Protective Treatment of Confidential Information.

[SIGNATURE ON NEXT PAGE]

Respectfully submitted,

**THE NARRAGANSETT ELECTRIC
COMPANY d/b/a NATIONAL GRID**

By its attorney,

A handwritten signature in blue ink, appearing to read "Raquel Webster".

Raquel J. Webster, Esq. (Bar #9064)
40 Sylvan Road
Waltham, MA 02451
Tel. 781-472-0531
Raquel.Webster@nationalgrid.com;

Dated: September 9, 2021

Division 2-1

Request:

Instruction: Each request for workpapers should be understood to include a request for all electronic spreadsheet files with all cell formulas and cell references intact.

Note: The February 2021 dispatch spreadsheet refers to the file “RI Gas Summary-February2021_jp_pw.xlsx which supports Attachment 3 of the quarterly March 31, 2021 NGPMP filing made on May 3, 2021.

Reference Tab 1 of the February 2021 dispatch spreadsheet.

- a. Please explain why Tetco Zone M-2 AGT baseload supplies were not maximized over Maumee – TCO, Appalachia supplies due to price;
- b. Please explain why Maumee – TCO Appalachian AGT swing supplies were not maximized over Tetco Zone M-2 supplies due to price; and
- c. Please explain why no Tetco Leidy (M-2), Tetco Zone (M2) or Tetco Zone M-2 (SCT) swing supplies were purchased.

Response:

- a. TCO supply ended up being less expensive by \$0.016 and may have dropped during bid week, although the Company needs M2 baseload supply for downswing.
- b. The Maumee-TCO Appalachian AGT swing supplies were maximized.
- c. Tetco Leidy is no longer traded at an M2 Index price. The Tetco Leidy was purchased and marked as a passthrough (volume of 3,764), and there is no associated capacity with either Tetco Zone (M2) or Tetco Zone M-2 (SCT) on this day in the breakout.

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Division 2-2

Request:

Reference Tab 2 of the February 2021 dispatch spreadsheet. Please explain why no Tetco Leidy (M-2), Tetco Zone (M2) or Tetco Zone M-2 (SCT) swing supplies were purchased when Tetco Zone M-3 (SCT) supplies were purchased.

Response:

Tetco Leidy is no longer traded at an M2 Index price. In the Summary sheet, there is a zero volume, which is used as a placeholder because a specific index is not referenced; however, this is a carryover from when Tetco Leidy referenced a specific index. The Tetco Leidy was purchased at a price below Tetco M3 and marked as a passthrough (volume of 3,764 dts). Therefore, the Tetco Leidy was removed from the proxy, so the customer receives the benefit of a lower price. There is no associated capacity with Tetco Zone (M2) or Tetco Zone M-2 (SCT) on this day in the breakout.

Redacted
Division 2-3

Request:

Reference Tab 6 of the February 2021 dispatch spreadsheet.

- a. Please explain why no Tetco Leidy (M-2) or Tetco Zone (M2) swing supplies were purchased;
- b. What was the maximum amount of Tetco, Zone M-2 (SCT) supplies that could have been purchased on this day?; and
- c. Please explain the TGP swing [REDACTED] line item and explain why none of these supplies were purchased on this day. What was the maximum amount of this supply that could be purchased, and explain how this quantity was determined.

Response:

- a. Tetco Leidy supplies were purchased (volume of 3,764 dts) at a price below Tetco M3 and marked as a passthrough, meaning that since Tetco Leidy is no longer traded at an M2 Index price, the actual cost of the price is reflected. There was no open capacity available to purchase incremental Tetco Zone (M2) on this day. In the Summary sheet, there is a zero volume, which is used as a placeholder because a specific index is not referenced; however, this is a carryover from when Tetco Leidy referenced a specific index.
- b. The maximum amount of Tetco, Zone M-2 (SCT) supplies that could have been purchased on this day totaled 1,698 dts.
- c. For Day 6, the Company did not take the call for customer supply or sales. This was the first day that the call would have been less expensive than the pipeline supply that was purchased daily; however, the pricing for this call did not appear to have been favorable prior to the 10am call time. The difference in price between the highest customer supply and this call for the day was \$0.076. The supply deal allows the Company to call on a volume of 20,000 dts at the receipt point, which, after pipeline fuel, delivers 19,972 dts to the Company's citygate.

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Division 2-4

Request:

Reference Tab 8 of the February 2021 dispatch spreadsheet. Please explain why no Tetco Leidy (M-2) or Tetco Zone (M2) supplies were purchased when Algonquin citygate swing supplies were purchased.

Response:

Tetco Leidy is no longer traded at an M2 Index price. In the Summary sheet, there is a zero volume, which is used as a placeholder because a specific index is not referenced; however, this is a carryover from when Tetco Leidy referenced a specific index. The Tetco Leidy supplies were purchased at a price below Tetco M3 and marked as a passthrough (volume of 3,764 dts). Therefore, the Tetco Leidy supplies were removed from the proxy so the customer receives the benefit of a lower price. There is no associated capacity with the Tetco Zone (M2) on this day.

Redacted
Division 2-5

Request:

Reference Tab 11 of the February 2021 dispatch spreadsheet. Please explain what changed from the response to 3(c) to enable the Company to purchase [REDACTED] swing supplies on this day.

Response:

Customer requirements increased for gas day 11, and an increased amount of supplies were needed to meet customer requirements. Therefore, the supply call transaction was called upon.

On the day in question, the Company fully utilized the call deal. Based on the sharing mechanism associated with the NGPMP, the price of this call is captured in the optimization component of the strategy, regardless of whether it was labeled as SWING for customer supply or BTB for off-system sales. If the call was taken for customer supply on these days, it would have resulted in more of a profit against the proxy stack but would have lowered the profit generated by off system sales. Since it is all labeled the same in the Company's accounting system, the same benefit would be realized either way.

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Division 2-6

Request:

Reference Tabs 2 and 12 of the February 2021 dispatch spreadsheet. Please identify the maximum amount of Tetco, Zone M-3 (SCT) swing supplies that could be purchased on these days and explain how these amounts were determined.

Response:

For February 2, 2021 (gas day 2), the maximum amount of Tetco, Zone M-3 (SCT) that could be purchased was 3,009 Dth. For February 12, 2021,(gas day 12), the maximum amount of Tetco, Zone M-3 (SCT) that could be purchased was 1,311 Dth, which results from the 3,009 Dth being reduced by the 1,698 Dth of Tetco, Zone M-2 (SCT) that was added into the breakout on this day.

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Redacted
Division 2-7

Request:

Reference Tabs 12 and 14 of the February 2021 dispatch spreadsheet. Please explain why no [REDACTED] TGP swing supplies were purchased on the 13th or 14th when they were purchased on the 12th, and why higher-cost Dawn, Ontario TGP swing supply purchases were made on these days.

Response:

On tabs 13 and 14, there were sufficient supplies on hand to meet customer requirements. The call was preserved for winter days with increased customer requirements. Customer requirements increased for gas day 12 (tab 12), and an increased amount of supplies was needed to meet customer requirements; therefore, the supply call transaction was called on. Please see the Company's response in Division 2-5.

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Redacted
Division 2-8

Request:

Reference Tab 16 of the February 2021 dispatch spreadsheet. Please explain why no [REDACTED] TGP swing purchases were made on this day when higher-cost Dawn, Ontario purchases were made.

Response:

The Company did not make any [REDACTED] TGP purchases because there were sufficient supplies to meet customer requirements. Each month, the Company establishes an estimated proxy (i.e. least-cost dispatch) price by filling the pipeline first, then storage, and then peaking. On the day referenced in Tab 16 of the February 2021 spreadsheet, the customer requirements did not warrant peaking.

Please see the Company's response in Division 2-5.

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Division 2-9

Request:

Reference Tab 18 of the February 2021 dispatch spreadsheet. Please explain why no Algonquin citygate purchases were made on this day when they were lower-cost than other purchases made on this day.

Response:

No Algonquin citygate purchases were made on the day referenced in Tab 18 of the February 2021 dispatch spreadsheet because the Algonquin citygate was a premium price at the time of the peaking call deadline of 10 a.m. Algonquin citygate, usually one of the premium pricing locations, appears to have trended lower versus other pricing locations later in the trading day. This anomalous pricing lasted only briefly during the trading month as Algonquin citygate remained a premium price for most of the month of February.

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Division 2-10

Request:

Reference Tabs 20-22 of the February 2021 dispatch spreadsheet. Please explain why no Tetco Zone M-2 (SCT) swing purchases were made on these days.

Response:

Tetco Zone M-2 (SCT) was lower in the order of the breakout and customer requirements were not high enough to require this tranche of supply.

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Division 2-11

Request:

Reference Tabs 25 and 28 of the February 2021 dispatch spreadsheet. Please explain why TGP Zone 4 ConneXion purchases were not maximized on these days (versus Tabs 20 – 22).

Response:

TGP Zone 4 ConneXion purchases were maximized on these days. The supply was not delivered to the citygate. Instead, the supply was called upon to meet downswing needs. Therefore, these supplies were injected into storage.

Division 2-12

Request:

Please explain why storage withdrawals were not maximized to avoid the purchase of higher-cost supplies on each of these days when determining customer costs in Attachment 3 of the March 31, 2021 NGPMP filing made on May 3, 2021 (including TGP 501 swing supplies). Based on the file Paper Storage Tracker 02-21.xlsx, the maximum daily storage withdrawal quantity for AGT-delivered storage supplies was 37,306 Dth, and 27,894 Dth for TGP-delivered storage supplies. That is, no ratchets were triggered.

- a. February 8, 2021;
- b. February 11, 2021;
- c. February 12, 2021;
- d. February 17, 2021;
- e. February 18, 2021; and
- f. February 19, 2021.

Response:

Referencing the daily tabs in the RI Gas Summary-February 2021, the maximum daily AGT-delivered storage supplies total 28,106 Dth and 10,836 Dth for TGP-delivered storage supplies. Algonquin field GSS-TE 600045 has a maximum daily entitlement of 14,337; however, there is only enough downstream transport capacity for 5,495 Dth to be delivered to the citygate.

Although the maximum daily storage withdrawal quantities ("MDWQ" in column E of each tab) for fields GSS 300168, GSS 300170, FSMA 62918 and FSMA 501 total 27,894 Dth, the Company can only deliver a maximum of 10,836 Dth to the Tennessee citygate on contract 10807. No ratchets were triggered.

A portion of storage withdrawals are generally preserved for upswing intraday capabilities throughout the gas day. The Tennessee FSMA and TETCO SS-1 storage fields are no-notice and provide for the most flexibility to meet changes in customer requirements throughout the day. Gas days 8, 11 and 12 had a greater quantity of storage withdrawals on day-ahead, but customer requirements decreased throughout the gas day, less system supply was needed, and the storage withdrawals were reduced accordingly. The customer requirements for the remaining gas days 17, 18, and 19 were lower and storage withdrawals were more in line with the day-ahead requirements.

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Division 2-13

Request:

Reference the file NGPMP Trade Detail Feb 21 SALES Confidential_pw.xlsx. Please explain why cash-out revenues are not reflected as sales since this gas is sold to the pipeline.

Response:

Cash out revenues are not reflected as sales because they do not represent gas being sold to the pipeline. Instead the cash out revenues are an adjustment of the volume purchased and nominated to the actual volume delivered and measured. The cash out is an adjustment of the actual amount purchased and recorded in the same manner as the original gas purchase. The accounting for gas sales in the Company's proxy model is different than a back-to-back ("BTB") model. Although the Company aligned the purchased delivered volume to the sale to estimate what a BTB would have looked like daily, the volume of gas purchased was slightly higher (1-2%) than the delivered volumes (for BTB Tport transactions). Although the Company is aligning based on delivered volumes, the cost and sale dollar amounts are based on traded volumes for accounting purposes.

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Division 2-14

Request:

Reference the February 2021 dispatch spreadsheet, Tab 1. For each index baseload line item, please identify the actual AGT and TGP baseload quantities purchased and the delivered price.

Response:

Please see the table below for the requested information.

Source	Quantity	Delivered Price
AGT Trans Ldy	72dt	\$2.3489
SGT DTI SP	525dt	\$2.5521
AGT Millennium	7,093dt	\$2.5219
AGT M2	22,532dt	\$2.5929
AGT Maumee	9,778dt	\$2.5697
TGP Zone 4 ConneXion	9,471dt	\$2.6096
TGP Zone 4	15,529dt	\$2.6884

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Division 2-15

Request:

Reference the February 2021 dispatch spreadsheet. For each index line item, exclusive of purchases made to support off-system sales, please identify the actual AGT and TGP baseload quantities purchased and the delivered price for each of the following days:

- a. February 6, 2021;
- b. February 7, 2021;
- c. February 8, 2021;
- d. February 11, 2021;
- e. February 12, 2021;
- f. February 17, 2021;
- g. February 18, 2021;
- h. February 19, 2021;
- i. February 20, 2021; and
- j. February 21, 2021.

Response:

The actual AGT and TGP baseload quantities purchased and the delivered price for each of the days are the same as those provided in the Company's response to Division 2-14 and provided in the table below:

Source	Quantity	Delivered Price
AGT Trans Ldy	72 dt	\$2.3489
SGT DTI SP	525 dt	\$2.5521
AGT Millennium	7,093 dt	\$2.5219
AGT M2	22,532 dt	\$2.5929
AGT Maumee	9,778 dt	\$2.5697
TGP Zone 4 ConneXion	9,471 dt	\$2.6096
TGP Zone 4	15,529 dt	\$2.6884